



OFFICE OF  
**INSPECTOR  
GENERAL**  
UNITED STATES POSTAL SERVICE

# HIGHLIGHTS

May 30, 2012

## Suspension and Debarment Program

Report Number CA-AR-12-002

### **IMPACT ON:**

U.S. Postal Service suspension and debarment practices. These practices help ensure that the Postal Service and the federal purchasing community are protected from suspended, debarred, or ineligible suppliers.

### **WHY THE OIG DID THE AUDIT:**

Our objective was to assess the Postal Service's suspension and debarment program. Specifically, we evaluated the Postal Service's compliance with pertinent regulations and benchmarked its suspension and debarment practices against Federal Acquisition Regulation (FAR) and FAR-exempt agencies to identify best practices and key program similarities and differences.

### **WHAT THE OIG FOUND:**

Although no suspended or debarred suppliers are currently under contract with the Postal Service, opportunities exist for improving the suspension and debarment program. Postal Service suspension and debarment officials did not consistently update or accurately record suspension and debarment activity in the General Service Administration's Excluded Parties List System and the Postal Service list of suppliers debarred, suspended, and ineligible at the time of suspension or debarment, as required. If the Postal Service does not keep these required lists current, it puts itself and the federal

purchasing community at risk of doing business with ineligible suppliers. We also identified best practices that, if implemented, could strengthen the program. We are providing those best practices to the Postal Service for their consideration.

### **WHAT THE OIG RECOMMENDED:**

We recommended management consistently update and accurately record suspension and debarment activity on the required lists upon debarment and instruct contracting staff on suspension and debarment policies and practices at least annually.

### **WHAT MANAGEMENT SAID:**

Management agreed with the findings and recommendations in the report and completed actions to implement the recommendations, including implementing oversight controls and communicating suspension and debarment policy information to Supply Management personnel.

### **AUDITORS' COMMENTS:**

The U.S. Postal Service Office of Inspector General considers management's comments responsive to the recommendations and corrective actions should resolve the issues identified in the report.